

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Social Services	(2) MEETING DATE 8/27/2013	(3) CONTACT/PHONE Dawn Boulanger 781-1835	
(4) SUBJECT Request to approve the Workforce Investment Act (WIA) subgrant agreement with the state of California for the receipt of Youth funds in the amount of \$803,371 and approve the plan for the Fiscal Year 2013-14 WIA formula funds budget totaling \$2,134,990.			
(5) RECOMMENDED ACTION It is recommended that the Board: (1) Approve and instruct the Chairperson to sign the Workforce Investment Act (WIA) subgrant agreement (K491051) with the State of California Employment Development Department for receipt of WIA Youth funds, (2) Approve a Resolution delegating signatory authority for all Workforce Investment Act (WIA) administrative documents including plans, modifications, and adjustments in connection with this subgrant agreement as required by the State of California Employment Development Department, the United States Department of Labor, or any other federal agency to the Social Services Director, and (3) Approve the plan for the FY 2013-2014 WIA formula funds budget totaling \$2,134,990.			
(6) FUNDING SOURCE(S) Federal/State	(7) CURRENT YEAR FINANCIAL IMPACT WIA Youth only: \$ 803,371 WIA Total: \$2,134,990	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: <u>08/07/2012</u>	
(17) ADMINISTRATIVE OFFICE REVIEW Emily Jackson			
(18) SUPERVISOR DISTRICT(S) All Districts -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Social Services / Dawn Boulanger
781-1835

DATE: 8/27/2013

SUBJECT: Request to approve the Workforce Investment Act (WIA) subgrant agreement with the state of California for the receipt of Youth funds in the amount of \$803,371 and approve the plan for the Fiscal Year 2013-14 WIA formula funds budget totaling \$2,134,990.

RECOMMENDATION

It is recommended that the Board:

- (1) Approve and instruct the Chairperson to sign the Workforce Investment Act (WIA) subgrant agreement (K491051) with the State of California Employment Development Department for receipt of WIA Youth funds,
- (2) Approve a Resolution delegating signatory authority for all Workforce Investment Act (WIA) administrative documents including plans, modifications, and adjustments in connection with this subgrant agreement as required by the State of California Employment Development Department, the United States Department of Labor, or any other federal agency to the Social Services Director, and
- (3) Approve the plan for the FY 2013-2014 WIA formula funds budget totaling \$2,134,990.

DISCUSSION

On March 11, 2008, your Board designated the Department of Social Services (DSS) as the Administrative Entity and Fiscal Agent for the local workforce investment area. In this capacity, DSS receives WIA funds directly from the State, distributes funds to program providers and provides administrative and fiscal support and oversight of WIA programs and operations.

Approval of this item will allow the County to receive WIA Youth funds from the State of California. WIA Youth funds are intended to support employment, training, and education services to youth. This WIA Youth subgrant agreement is the foundation document for receipt of all WIA formula funds. The State releases the other formula WIA allocations to the County as unilateral modifications to this subgrant agreement. A modification to this agreement incorporating WIA Adult, Dislocated Worker, and Rapid Response funds for program year 2013-2014 will occur early in FY 2013-2014.

Approval of the attached Resolution delegating signatory authority to the Social Services Director for all WIA administrative documents is pursuant to direction from the State, and will mean that no further action by the Board will be necessary to receive the FY 2013-2014 Adult, Dislocated Worker, and Rapid Response WIA formula funds.

The WIA funds are 100% federally funded and distributed to the states for allocation to counties via subgrant agreements. The total funding allocated for FY 2013-2014 is \$2,134,990 which is \$165,423 less than FY 2012-2013 or a net decrease of 7% and are reflective of reductions due to the sequester as well as a general reduction in WIA funding. Funding allocations for the local area in a given year depend upon the dollars allocated to California from the Federal Government and the percentage of that allocation that is awarded to a local area. A local area's percentage is based on the number of unemployment insurance claims, the unemployment rate, and the number of economically disadvantaged adults and youth in the local area. These funds will be used to support WIA direct service programs and administrative and fiscal

costs. The allocation for each fund stream is detailed below:

Fund Stream	Total Allocation	Comments
Adult	\$596,232	Confirmed via notice from the State
Dislocated Worker	\$611,182	Confirmed via notice from the State
Youth	\$803,371	Confirmed via notice from the State
Rapid Response	\$124,205	Confirmed via notice from the State
Total	\$2,134,990	Uses of funds are detailed below

Direct Service Costs

Of the total FY 2013-2014 funding allocated to the Adult, Dislocated Worker, and Youth fund streams, your board approved a contract, in the amount of \$1,440,045, for WIA Adult, Dislocated Worker, and Youth services with Goodwill Industries on June 18, 2013 (see table below). Of the FY 2013-2014 Rapid Response allocation, \$98,119 has been made available to contractors for allowable activities as detailed below:

Fund Source	Use	Recipient	Comments
Adult \$385,065	One-Stop operation and direct services to eligible adults	Contract with Goodwill Industries	RFP completed in early 2012
Dislocated Worker \$420,379	One-Stop operation and direct services to eligible dislocated workers	Contract with Goodwill Industries	RFP completed in early 2012
Youth \$634,601	Direct Services to eligible in-school and out-of-school youth ages 16-21	Contract with Goodwill Industries	RFP completed in early 2012. Goodwill will subcontract for services with Cuesta College.
\$1,440,045	Total Goodwill Contract		
Rapid Response \$35,000	Direct services to employers and workers in response to layoffs	Purchase Order with Goodwill Industries	RFP completed in late 2012
Rapid Response \$38,120	Direct services to businesses to assist with layoff aversion, retention, and expansion	Purchase Order with the Economic Vitality Corporation (EVC)	RFP completed in late 2012
Rapid Response \$24,999	Implementation of Countywide economic strategy	Purchase Order with EVC	Sole Source procurement
\$98,119	Total Rapid Response Purchase Orders		

The remaining FY 2013-2014 allocation will be used for operating costs.

Operating Costs

In FY 2013-2014, the WIB set-aside budget, operating costs, and administrative entity and fiscal agent staff salaries will be funded with the remaining funds. These costs are outlined in the table below:

Use of Funds	FY 2012-13	FY 2013-14	Comments
WIB Set Aside	\$177,090	\$53,705	*See explanation below.
DSS Admin Entity/ Fiscal Agent Salary Costs	\$474,815	\$352,862	Staff positions include the following: <ul style="list-style-type: none"> • 1 FTE Administrative Services Manager (WIA Services Manager) • 1 FTE Program Manager I • 2 FTE Program Review Specialists • .5 FTE Administrative Assistant III to support the WIB • .08 FTE Departmental Administrator (fiscal

			staff) • .01 FTE Administrative Services Officer II (fiscal staff) Total staff positions are consistent since FY 2010-2011. Due to sequester cuts, WIA funding for staff has been reduced by \$121,953. A total of \$80,577 will be covered by the Employment Services component of CalWORKs allocation to subsidize the DSS Administrative Entity/Fiscal staff costs.
DSS Operating Costs	\$68,400	\$38,000	Costs include: County Auditor services for annual fiscal compliance review, staff travel, and CA Workforce Association registration. Costs are less due to a shift in FY 13-14 of how costs are reflected. Funds were moved from DSS Operating Costs into a newly created cost category, Service and Systems Costs, described below.
Services and Systems Costs	N/A	\$152,259	This cost category was added in FY 13-14 to detail costs that benefit the WIA system as a whole, and are not specifically DSS costs. These costs include: Data management subscription, WIB website hosting, labor market software subscriptions, subscription to on-line training licenses for job seekers, and copier maintenance
TOTAL:	\$720,305	\$596,826	

*WIB set aside funds are utilized for services which include planning and development, outreach (sponsorship of job fairs), program expansion (funding new initiatives), and member conference and travel costs. The FY 2012-13 WIB set aside funding budget was \$177,790, which included \$107,790 in Rapid Response funds which were contracted out for the aforementioned business outreach and rapid response direct service contracts. The funding for these contracts are now included in the purchase order component of the WIA budget plan and are no longer included in the WIB set aside budget. The FY 2013-14 WIB set aside funds are also less than FY 2012-2013 due to removing the WIA Services Manager travel costs, which were greatly reduced and are now reflected in DSS Operating Costs.

WIA requires extensive oversight including programmatic and operational support to include annual program compliance monitoring reviews of all WIA subcontractors, staffing the WIB and its committees, the provision of technical support to service providers, and management information system administration for tracking and reporting services provided to WIA customers. Local administration of the WIA also requires fiscal support and financial oversight including budgeting, competitively procuring WIA services, managing WIA service contracts, issuing purchase orders, accounts payable, participating in annual fiscal compliance reviews by the State, fiscal reporting to the State, and outside audit resolution. Therefore, \$352,862 is earmarked to contribute towards costs incurred by the DSS for administrative entity and fiscal agent services including salary costs for all WIA program staff responsible for these administrative, programmatic, and fiscal oversight and support activities.

To cover DSS operating expenses, \$38,000 is earmarked. These operating costs include California Workforce Association dues for the WIB, staff travel, supplies, training, and County Auditor services for annual fiscal and procurement monitoring of WIA subcontractors. A new cost category, Services and Systems costs, was added for FY 13-14 which includes \$152,259 to cover costs incurred by services which benefit the WIA system as a whole and not DSS specifically. This allows for further detail on how funding is allocated to cover these system-wide service costs which include annual subscription for the management information system used to report to the State, WIB website hosting, labor market software subscriptions, subscription to on-line training licenses for job seekers, and copier maintenance.

OTHER AGENCY INVOLVEMENT

The Workforce Investment Board (WIB) of San Luis Obispo County participates in oversight of all WIA funded programs.

County Counsel has reviewed and approved the resolution.

FINANCIAL CONSIDERATIONS

The WIA formula budget estimate of \$2,134,990 was included in the DSS Adopted budget for FY 2013-2014. This item will have no impact on the County's General Fund.

RESULTS

Approval of this item will allow the County to receive WIA funds from the State, comply with State instructions to provide a Resolution assigning signatory authority for WIA agreements, and comply with WIA regulations requiring the chief local elected officials' approval of the WIA budget.

ATTACHMENTS

1. Resolution
2. WIA Subgrant Agreement